GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:125
ANSWERED ON:08.08.2012
TAX COLLECTION FROM TIER II AND TIER III CITIES
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Will the Minister of FINANCE be pleased to state:

(a) whether Tier II and Tier III cities have outnumbered metros in terms of growth of personal and corporate tax collections;

(b) if so, the details thereof;

(c) whether a large number of corporate houses and quality educational institutions have come in these cities resulting in increase in tax collections;

(d) if so, the details thereof;

(e) whether these cities lag behind in infrastructure and need urgent attention of the Government and if so, the details thereof;

(f) whether the Government proposes to allocate more funds for development; and

(g) if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) to (d): Separate city-wise (tier-II/III) data of collection of Corporate & Personal Income Tax is not maintained centrally. Data of assesses belonging to corporate houses and educational institutions coming up in various cities is also not maintained centrally. However, the amount collected from Corporation Tax and Personal Income Tax during the last three years is as under:

Rs. In crore

S.No.	Nature of Tax/Duty	2009-10	2010-11	#2011-12
1.	Corporation Tax	244725	298688	323224
2.	Personal Income Tax	133338	148247	171575

The city-wise data (tier II/III) in respect of collection of indirect taxes is also not maintained centrally. However, the total indirect tax collection during the last three years is as under:

Rs. In crore

Financial Year	Amount collected
2009-10	245367.0
2010-11	345127.4
#2011-12	391357.5

#Figures provisional

(e): The Government has been paying utmost attention for development of infrastructure of these cities under Jawaharlal Nehru National Urban Renewal Mission (JNNURM).

(f)&(g): Allocation of additional funds for development depends upon the utilization of allocated funds i.e. progressive expenditure and also on the resource availability. Due to fiscal constraints at present there are no plans to allocate additional funds for development schemes and the Government has already issued austerity instructions as a measures to contain the expenditure. However, requirement of funds for schemes will be reviewed at Revised Estimates (RE) stage later in the year.